Overdraft of State Government

2141. SHRI KAILASH JOSHI: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) what is the limit of overdraft a State can draw, State-wise;

(b) the names and details of overdraft drawn by States during the last two years;

(c) whether Government propose to set up a panel to reform RBI's present practice with regard to overdraft limits by States; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE): (a) Overdraft of States with Reserve Bank of India are governed by the Ways and Means Advance and Overdraft Regulation Scheme of the RBI, as revised from time to time. Presently there is no limit on the amount of overdraft that a State can draw.

(b) The transaction between a State and the RBI is conducted as per an agreement between the two. Since, it is a matter of relationship between the banker and the client (between the Reserve Bank of India and the State Government), such information is not published/made public by Govt. of India.

(c) and (d) The existing Ways and Means Advance and Overdraft Regulation Scheme of the Bank is due for review in March 2003. A decision has been taken by RBI to form a Group to review the Scheme.

Domestic savings

2142. SHRI ASHWANI KUMAR: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether a decline in the domestic savings rate from 25 to about